

By: Zaffirini

S.B. No. 845

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the establishment and enforcement of weatherization
3 standards by the Public Utilities Commission for electric
4 utilities, transmission and distribution utilities, electric
5 cooperatives, municipally owned utilities, and generation
6 providers; establishing an administrative penalty.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

8 SECTION 1. Section 38.005, Utilities Code, is amended by
9 adding subsection (g) to read as follows:

10 (g) The commission shall adopt minimum weatherization
11 standards for electric utilities, transmission and distribution
12 utilities, electric cooperatives, municipally owned utilities, and
13 generation providers that ensure services remain reasonably
14 reliable in extreme weather conditions. To ensure compliance with
15 this subsection, the commission shall:

16 (1) Develop rules requiring each electric utility,
17 transmission and distribution utility, electric cooperative,
18 municipally owned utility, and generation provider to file annual
19 reports regarding weatherization measures it implemented pursuant
20 to the standards established pursuant to this subsection; and

21 (2) Conduct periodic in-person inspections to verify
22 electric utilities, transmission and distribution utilities,
23 electric cooperatives, municipally owned utilities, and generation
24 providers have implemented minimum weatherization standards.

1 SECTION 2. Chapter 15, Utilities Code, is amended to add a
2 Section 15.023A to read as follows:

3 Sec. 15.023A. ADMINISTRATIVE PENALTIES FOR FAILURE TO
4 COMPLY WITH WEATHERIZATION STANDARDS. (a) Notwithstanding Section
5 15.023 of this chapter, the commission shall impose administrative
6 penalties for a violation of Section 38.005(g), Utilities Code, as
7 follows:

8 (1) 30 days after a violator is notified that a
9 violation has been identified, the commission shall impose of a
10 penalty of not less than \$25,000, unless:

11 (A) the violator has requested a second
12 inspection by the commission during which they demonstrate the
13 violation was remedied; or

14 (B) the violator has submitted a plan regarding
15 how the violation will be cured, including a date by which the
16 corrective measures will be complete, that is approved by the
17 commission. Violators shall be permitted to apply for additional
18 time to complete the project if they can demonstrate due cause for a
19 delay. Failure to cure the violation by the date set forth in the
20 commission approved plan shall result in the imposition of all back
21 penalties that would have accrued from the date the violation was
22 identified.

23 (2) 31 days after a violator is notified that a
24 violation has been identified, the commission shall impose a
25 minimum administrative penalty of not less than \$2,500 for each day
26 it continues.

27 (3) 91 days after a violator is notified that a

1 violation has been identified, the commission shall impose a
2 minimum administrative penalty of not less than \$5,000, but not to
3 exceed \$25,000, per day for each day it continues.

4 (b) The imposition of administrative penalties for a
5 violation of 38.005(g), Utilities Code, will cease upon the
6 completion of a second inspection conducted by the commission
7 during which they find the violation was remedied. Any penalties
8 assessed between the date a successful follow-up inspection is
9 requested and when it is completed shall be waived.

10 (c) The cost of any subsequent inspections required to
11 demonstrate a violation is cured shall be paid by the violator.

12 (d) Administrative penalties collected pursuant to this
13 section shall be used to finance periodic weatherization
14 inspections conducted by the commission.

15 SECTION 3. The commission shall adopt rules regarding
16 weatherization standards within six months of the effective date of
17 this Act.

18 SECTION 4. Electric utilities, transmission and
19 distribution utilities, electric cooperatives, municipally owned
20 utilities, and generation providers shall have 18 months from the
21 date the commission adopts weatherization standards to come into
22 compliance with them.

23 SECTION 5. This Act takes effect September 1, 2021.